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MATTERS RELATING TO THE PROGRAMMING CYCLES

Earmarkings for the target for resource assignment from the core for 1997-1999

I. PURPOSE

1. Pursuant to the request of the Executive Board in paragraph 22 of its decision 95/23, the preliminary TRAC figures under line 1.1.1 for individual recipient countries were provided at the first regular session in January 1996 (see document DP/1996/CRP.2).

2. In the present document, the Administrator provides the revised and final target for resource assignment from the core (TRAC) earmarkings for 1997-1999.

II. TRAC EARMARKINGS FOR 1997-1999

3. Regarding indicative planning figures (IPFs), UNDP will consider revisions to the gross national product (GNP) per capita for resource distribution purposes only within a period of one year after the establishment of the TRAC earmarkings.[1] Thereafter, a revision will be considered only if (a) it varies 10 per cent from the original estimate or (b) such a revision will lower the GNP per capita below one of the thresholds that are of special significance for calculations, or for the establishment of government obligations for local office costs. No downward revision of established figures are made where there have been increases in estimates of GNP per capita.

[1] Paragraph 4 of decision 88/8; see also decisions 93/24 and 92/30, in which the Executive Board took note of paragraph 17 of document DP/1993/21 and paragraph 13 of document DP/1992/22, respectively.

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4. Since the adoption of Executive Board decision 95/23 and the subsequent calculation of preliminary TRAC earmarkings, the 1994 per capita GNP estimates for 45 countries have been revised downward. This has resulted in higher TRAC earmarkings for 14 countries. For the remaining 31 countries, all middle-income except one, the change in GNP per capita did not result in higher earmarkings, since their TRACs were determined by the floor principles established in decision 95/23, and their revised lower per capita GNP remained above the pertinent floor thresholds.

5. The total increase in TRAC resources from lines 1.1.1 and 1.1.2 for the concerned 14 countries amounts to $36.97 million for the three-year period. The floor data of two countries, Suriname and South Africa, have been corrected, resulting in an additional $2.27 million in TRAC earmarkings, and there is no longer a transitional TRAC earmarking shown for the British Virgin Islands, Netherlands Antilles and the Republic of Korea. The latter were already net contributor countries (NCCs) in the fifth cycle and, therefore, are not eligible for a transitional TRAC, in accordance with paragraph 23 of decision 95/23. The total increase in TRACs resulting from these changes and corrections amounts to $37.98 million (of which $22.79 million concerns line 1.1.1).

6. In its decision 95/23, the Executive Board established an unallocated reserve of $25 million for the three-year period, to finance, inter alia, upward revisions that arise from changes to 1994 basic data reported during 1996. At the annual session 1996, the Administrator informed the Executive Board that small inconsistencies had arisen in the application of the resource distribution methodology approved in decision 95/23 and that UNDP was making the necessary adjustments and charging the unallocated reserve. The allocations resulting from these adjustments totalled $8.25 million. Consequently, with only $16.75 million left in reserve, the additional amount of $37.98 million in TRAC earmarkings cannot be fully funded. However, the unfunded portion of $21.23 million should be considered in the light of the dynamic resource planning processes of UNDP and can be accommodated in the context of future assignments from line 1.1.2 and/or further adjustments in TRAC earmarkings based on available resources (see also para. 10 below).

7. The Administrator also wishes to draw the attention of the Executive Board to the fact that the TRACs of NCCs wil
l need to be reviewed after the accounts for fifth cycle obligations and payments have been finalized, consistent with decision 91/29. Thus, for NCCs that already had this status in the fifth cycle, the Administrator will reduce their reimbursable TRACs by any unfulfilled net contributor obligations in the fifth cycle. The Administrator expects to report to the Executive Board on any required adjustments in the TRACs for NCCs at the third regular session in September 1997.

8. Table 1 provides a summary of the final earmarkings for total TRAC resources under lines 1.1.1 and 1.1.2 for the period 1997-1999, broken down by category of country and by region. Table 2 provides the final earmarkings under line 1.1.1 for individual recipient countries, grouped by region. The calculations are based on latest available 1994 World Bank data on GNP per capita, and where such data are unavailable, on information obtained from

the United Nations Statistical Office. Those countries where changes have occurred are shown with an asterisk.

9. It may be recalled that an important element of the successor programming arrangements was the assumption of an initial $3.3 billion financial envelope for total core resources for the period 1997-1999, or an average annual figure of $1.1 billion. The TRAC figures shown in the attached tables have been calculated using this financial framework.

10. However, for prudent resource planning, as explained in document DP/1996/CRP.2, the Administrator has advised Resident Representatives that for programme planning purposes, TRAC earmarkings will be based on an estimated $1 billion in average annual contributions for the period 1997-1999. The figures shown in tables 1 and 2 will be prorated accordingly.

III. EXECUTIVE BOARD ACTION

11. The Executive Board may wish to: Take note of the final TRAC earmarkings under line 1.1.1 as shown in tables 1 and 2.

Table 1. Successor programming arrangements: Final earmarkings for TRAC lines 1.1.1 and 1.1.2 for 1997-1999

	(Millions of dollars)			As percentage of total TRAC	
	Preliminary	Final	Difference	Preliminary	Final
Total TRAC	1 625.0[a]	1 663.0	38.0	100	100
of which:					
Low income	1 418.0	1 465.7	47.7	87	88
Middle income	207.0	197.3	(9.7)[b]	13	12
of which:					
LDCs	968.8	1 003.5	34.7	60	60
Non-LDCs	656.2[c]	659.5[d]	3.3	40	40
Regional distribution					
Africa[e]	750.6	787.3	36.7	46	47
Asia and the Pacific	554.7	555.9	1.2	34	33
Arab States	128.6	128.6	-	8	8
Latin America and the Caribbean	110.4	110.5	0.1	7	7
Europe and the Commonwealth of Independent States	80.7	80.7	-	5	5

[a] Excludes $25 million of undistributed reserve.

[b] Decrease is a result of change in category for some countries.

[c] Net contributor countries (NCCs) account for $5.7 million or 0.35 per cent of total.

[d] NCCs account for $4.7 million or 0.28 per cent of total; Turks and Caicos Islands has graduated to NCC status.

[e] Geographical Africa increased from $838 million of 52 per cent of the total of the preliminary earmarkings to $874 million or 53 per cent of the total of the final earmarkings.

Table 2. Successor programming arrangements: Final earmarkings for TRAC line 1.1.1 for 1997-1999

Region	Country	Status [a]	see endnotes	1994 per capita GNP [b]	Target for resource assignment from the core under line 1.1.1 [c]
				dollars	millions of dollars
Africa	ANGOLA	LDC	d	350	13.601 *
	BENIN	LDC		370	8.596
	BOTSWANA			2,800	1.279
	BURKINA FASO	LDC		300	14.901
	BURUNDI	LDC		160	14.061
	CAMEROON			680	6.118
	CAPE VERDE	LDC		930	1.471
	CENTRAL AFRICAN REPUBLIC	LDC		370	6.776
	CHAD	LDC		180	13.402 *
	COMOROS	LDC		510	2.620
	CONGO			620	3.149 *
	CÔTE D'IVOIRE			610	8.470
	EQUATORIAL GUINEA	LDC		430	2.580
	ERITREA	LDC	d	130	9.344
	ETHIOPIA	LDC		100	33.649 *
	GABON			3,880	0.400
	GAMBIA	LDC		330	5.842
	GHANA			410	10.238 *
	GUINEA	LDC		520	8.120
	GUINEA-BISSAU	LDC		240	6.258
	KENYA			250	15.369 *
	LESOTHO	LDC		720	4.609
	LIBERIA	LDC	d	670	4.876
	MADAGASCAR	LDC		200	18.540 *
	MALAWI	LDC		170	19.682
	MALI	LDC		250	15.768
	MAURITANIA	LDC		480	5.267
	MAURITIUS			3,150	0.690
	MOZAMBIQUE	LDC		90	23.195
	NAMIBIA	LDC		1,970	2.092
	NIGER	LDC		230	15.515
	NIGERIA			280	27.558
	RWANDA	LDC		80	17.810 *
	SAO TOME AND PRINCIPE	LDC		250	1.252
	SENEGAL	LDC		600	7.819 *
	SEYCHELLES	NCC	h	6,680	0.156
	SIERRA LEONE	LDC		160	11.881
	SOUTH AFRICA			3,040	4.200 *
	SWAZILAND			1,100	0.918
	TOGO	LDC		320	8.302
	UGANDA	LDC		190	20.284 *
	UNITED REPUBLIC OF TANZANIA	LDC		140	25.525
	ZAIRE	LDC	d	130	29.115 *
	ZAMBIA	LDC		350	12.708
	ZIMBABWE			500	8.402
Africa total					472.408

Table 2 (continued)

Region	Country	Status [a]	see endnotes	1994 per capita GNP [b]	Target for resource assignment from the core under line 1.1.1 [c]	
				dollars	millions of dollars	
Asia and the Pacific	AFGHANISTAN	LDC	d	250	18.431	
	BANGLADESH	LDC		220	40.504	*
	BHUTAN	LDC		400	6.326	
	BRUNEI DARUSSALAM	NCC	g	14,240	-	
	CAMBODIA	LDC	d	240	16.560	
	CHINA			530	40.066	
	COOK ISLANDS		e	3,717	0.191	
	DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA		d	860	4.383	
	FEDERATED STATES OF MICRONESIA			1,890	0.282	
	FIJI			2,250	0.469	
	INDIA			320	48.101	
	INDONESIA			880	16.407	
	IRAN (ISLAMIC REPUBLIC OF)		d	1,410	1.906	
	KIRIBATI	LDC		740	0.528	
	LAO PEOPLE'S DEMOCRATIC REPUBLIC	LDC		320	9.561	
	MALAYSIA			3,480	1.251	
	MALDIVES	LDC		950	1.375	
	MARSHALL ISLANDS			1,680	0.275	
	MONGOLIA			300	5.275	*
	MYANMAR	LDC	d	260	34.360	
	NAURU	NCC	e, g	25,094	-	
	NEPAL	LDC		200	20.681	
	NIUE		d	2,050	0.137	
	PAKISTAN			430	21.521	*
	PAPUA NEW GUINEA			1,240	2.114	
	PALAU		e	5,107	0.066	
	PHILIPPINES			950	7.967	
	REPUBLIC OF KOREA	NCC	g	8,260	-	*
	SAMOA	LDC		1,000	0.982	
	SINGAPORE	NCC	g	22,500	-	
	SOLOMON ISLANDS	LDC		810	1.309	
	SRI LANKA			640	10.223	
	TERRITORY OF HONG KONG	NCC	g	21,650	-	
	THAILAND			2,410	4.607	
	TOKELAU		d	980	0.241	
	TONGA			1,590	0.292	
	TUVALU	LDC	e	924	0.334	
	VANUATU	LDC		1,150	0.462	
	VIET NAM			200	26.325	
Asia and the Pacific total					333.515	

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Table 2 (continued)

Region	Country	Status [a]	see endnotes	1994 per capita GNP [b]	Target for resource assignment from the core under line 1.1.1 [c]
				dollars	millions of dollars
ab States	ALGERIA			1,650	1.668
	BAHRAIN	NCC	g	7,460	-
	DJIBOUTI	LDC	d	810	0.735
	EGYPT			720	9.460
	IRAQ		d	2,450	1.251
	JORDAN			1,440	1.430
	KUWAIT	NCC	g	19,420	-
	LEBANON		d	2,400	1.359
	LIBYAN ARAB JAMAHIRIYA	NCC	d, h	6,590	0.155
	MOROCCO			1,140	4.062
	OMAN	NCC	h	5,140	0.044
	QATAR	NCC	g	12,820	-
	SAUDI ARABIA	NCC	g	7,050	-
	SOMALIA	LDC	d	140	18.183
	SUDAN	LDC	d	320	17.997
	SYRIAN ARAB REPUBLIC		d	1,380	3.100
	TUNISIA			1,790	1.407
	UNITED ARAB EMIRATES	NCC	d, g	22,230	-
	YEMEN	LDC		280	16.335
ab States total					77.147

Table 2 (continued)

Region	Country	Status [a]	see en...otes	1994 per capita GNP [b]	Target for resource assignment from the core under line 1.1.1 [c]
				dollars	millions of dollars
Latin America and the Caribbean	ANGUILLA	NCC	e, i	9,933	0.161
	ANTIGUA AND BARBUDA	NCC	h	6,770	0.175
	ARGENTINA	NCC	i	8,110	1.430
	ARUBA	NCC	d, g	17,000	-
	BAHAMAS	NCC	g	11,800	-
	BARBADOS	NCC	h	6,560	0.097
	BELIZE			2,530	0.182
	BERMUDA	NCC	d, g	34,000	-
	BOLIVIA			770	4.781
	BRAZIL			2,970	2.502
	BRITISH VIRGIN ISLANDS	NCC	e, g	10,730	- *
	CAYMAN ISLANDS	NCC	d, i	28,230	0.058
	CHILE			3,520	1.668
	COLOMBIA			1,670	2.064
	COSTA RICA			2,400	0.850
	CUBA		d	1,320	2.198
	DOMINICA			2,800	0.216
	DOMINICAN REPUBLIC			1,330	3.145
	ECUADOR			1,280	2.498
	EL SALVADOR			1,360	1.954
	GRENADA			2,630	0.227
	GUATEMALA			1,200	2.097
	GUYANA			530	3.174
	HAITI	LDC		230	13.595
	HONDURAS			600	4.881
	JAMAICA			1,540	0.804
	MEXICO			4,180	1.668
	MONTSERRAT	NCC	e, h	6,795	0.073
	NETHERLANDS ANTILLES	NCC	d, g	10,810	- *
	NICARAGUA	LDC		340	8.398
	PANAMA			2,580	0.626
	PARAGUAY			1,580	1.035
	PERU			2,110	2.346
	SAINT HELENA		f	562	0.319
	SAINT KITTS AND NEVIS	NCC	h	4,760	0.175
	SAINT LUCIA			3,130	0.205
	SAINT VINCENT AND THE GRENADINES			2,140	0.339
	SURINAME			860	0.334 *
	TRINIDAD AND TOBAGO			3,740	0.334
	TURKS AND CAICOS ISLANDS	NCC	d	6,400	0.196
	URUGUAY			4,660	0.834
	VENEZUELA			2,760	0.667
Latin America and the Caribbean total					66.304

Table 2 (continued)

Region	Country	Status [a]	see endnotes	1994 per capita GNP [b]	Target for resource assignment from the core under line 1.1 [c]
				dollars	millions of dollars
Europe and the Commonwealth of Independent States	ALBANIA			380	5.413
	ARMENIA			680	3.377
	AZERBAIJAN			500	6.707
	BELARUS			2,160	0.312
	BOSNIA AND HERZEGOVINA		d	670	3.379
	BULGARIA			1,250	0.572
	CROATIA			2,560	0.194
	CYPRUS	NCC	g	10,260	-
	CZECH REPUBLIC			3,200	0.264
	ESTONIA			2,820	0.105
	FORMER YUGOSLAV REPUBLIC OF MACEDONIA			820	0.164
	GEORGIA		d	450	6.998
	HUNGARY			3,840	0.313
	KAZAKSTAN			1,160	0.751
	KYRGYSTAN			630	4.230
	LATVIA			2,320	0.122
	LITHUANIA			1,350	0.280
	MALTA	NCC	d, g	8,270	
	POLAND			2,410	0.626
	REPUBLIC OF MOLDOVA			870	0.301
	ROMANIA			1,270	0.715
	RUSSIAN FEDERATION			2,650	0.564
	SLOVAK REPUBLIC			2,250	0.183
	SLOVENIA	NCC	h	7,040	0.120
	TAJIKISTAN			360	7.347
	TURKEY			2,500	2.332
	TURKMENISTAN		d	1,070	0.537
	UKRAINE			1,910	0.377
	UZBEKISTAN			960	1.809
	YUGOSLAVIA		d	1,200	0.414
Europe and the Commonwealth of Independent States total					48.426
Grand total					991.799

(Footnotes to table on following page)

(Footnotes to table 2)

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* Indicates a change has occurred.

[a] LDC - least developed country.
NCC - net contributor country.

[b] World Bank data unless otherwise indicated.

[c] In accordance with paragraph 17 of decision 95/23. Actual TRAC issued to net contributor countries may be lower than the indicated TRAC as per decision 91/29.

[d] 1994 per capita GNP estimates provided by the World Bank are used.

[e] 1994 per capita GNP estimates provided by the United Nations Statistical Office are used.

[f] 1994 per capita GNP estimate as extrapolated from 1989 data is used.

[g] Net contributor country that does not receive an established TRAC in accordance with paragraph 21 of decision 95/23.

[h] Net contributor country that receives an established, fully reimbursable TRAC in accordance with paragraph 21 of decision 95/23.

[i] Net contributor country that receives a transitional, fully reimbursable TRAC in accordance with paragraph 23 of decision 95/23.

[j] Equal to 60 per cent of total TRAC resources (lines 1.1.1 and 1.1.2) of $1,663 million.